

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2002

	September-02					August-02				July-02				Current	Prior Year	3 Years	5 Years	
	Allocation			Quarter	Month	Allocation			Allocation			Fiscal YTD	FY02	6/30/2002	5 Years			
	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Ended	Ended	
6/30/2002	Net																6/30/2002	Net
LARGE CAP DOMESTIC EQUITY																		
Structured Growth																		
AllianceBernstein	88,119	1.9%	2.3%	-13.54%	-9.16%	98,142	2.1%	2.3%	2.47%	95,836	2.1%	2.3%	-7.10%	-13.54%	-28.65%	-16.80%	N/A	
Russell 1000 Growth				-15.05%	-10.37%				0.30%				-5.50%	-15.05%	-26.49%	-16.15%	N/A	
Structured Value																		
LSV	95,492	2.1%	2.3%	-18.60%	-11.38%	109,024	2.3%	2.3%	0.35%	108,775	2.4%	2.3%	-8.45%	-18.60%	2.41%	5.40%	N/A	
Russell 1000 Value				-18.77%	-11.12%				0.76%				-9.30%	-18.77%	-8.96%	-2.92%	N/A	
S&P 500 Index																		
State Street	436,958	9.6%	10.5%	-17.26%	-10.87%	462,918	9.9%	10.5%	0.66%	459,877	10.0%	10.5%	-7.77%	-17.26%	-18.03%	-9.27%	3.58%	
S&P 500				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.99%	-9.18%	3.67%	
TOTAL LARGE CAP DOMESTIC EQUITY	620,568	13.6%	15.0%	-16.96%	-10.71%	670,084	14.3%	15.0%	0.87%	664,488	14.4%	15.0%	-7.79%	-16.96%	-16.89%	-8.30%	3.74%	
S&P 500				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.99%	-9.18%	3.67%	
SMALL CAP DOMESTIC EQUITY																		
Manager-of-Managers																		
SEI	216,166	4.7%	5.0%	-19.31%	-7.23%	208,472	4.4%	5.0%	0.75%	207,054	4.5%	5.0%	-13.68%	-19.31%	-11.77%	N/A	N/A	
Russell 2000 + 200bp				-20.97%	-7.02%				-0.08%				-14.93%	-20.97%	-7.96%	N/A	N/A	
TOTAL SMALL CAP DOMESTIC EQUITY	216,166	4.7%	5.0%	-19.31%	-7.23%	208,472	4.4%	5.0%	0.75%	207,054	4.5%	5.0%	-13.68%	-19.31%	-11.69%	2.22%	4.32%	
Russell 2000				-21.40%	-7.18%				-0.25%				-15.10%	-21.40%	-8.59%	1.67%	4.44%	
CONVERTIBLES																		
TCW	448,073	9.8%	10.0%	-10.05%	-4.92%	471,065	10.0%	10.0%	2.18%	444,712	9.6%	10.0%	-7.43%	-10.05%	-20.37%	-2.22%	N/A	
First Boston Convertible Index				-8.47%	-2.99%				0.64%				-6.25%	-8.47%	-12.44%	0.11%	N/A	
INTERNATIONAL EQUITY																		
Large Cap - Active																		
Capital Guardian	408,577	9.0%	10.0%	-20.58%	-10.43%	455,917	9.7%	10.0%	-1.27%	430,679	9.3%	10.0%	-10.19%	-20.58%	-12.10%	-2.96%	2.87%	
MSCI EAFE - 50% Hedged				-20.02%	-10.88%				-0.24%				-10.04%	-20.02%	-14.62%	-7.32%	-1.89%	
DOMESTIC FIXED INCOME																		
Core Bond																		
Western Asset	1,229,080	26.9%	25.0%	3.51%	0.92%	1,227,960	26.2%	25.0%	2.55%	1,240,757	26.9%	25.0%	0.00%	3.51%	8.36%	8.53%	7.80%	
Lehman Aggregate				4.58%	1.62%				1.69%				1.21%	4.58%	8.62%	8.10%	7.57%	
Index																		
Bank of ND	688,481	15.1%	15.0%	5.96%	2.23%	658,665	14.0%	15.0%	2.27%	666,968	14.4%	15.0%	1.36%	5.96%	8.38%	7.79%	7.42%	
Bank of ND CD'S	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%	
Total Index	688,481	15.1%	15.0%	5.96%	2.23%	658,665	14.0%	15.0%	2.27%	666,968	14.4%	15.0%	1.36%	5.96%	8.14%	7.66%	7.30%	
Lehman Gov/Corp				5.70%	2.15%				2.24%				1.20%	5.70%	8.24%	7.86%	7.47%	
BBB Average Quality																		
Strong	487,305	10.7%	10.0%	3.08%	1.48%	484,385	10.3%	10.0%	3.46%	485,266	10.5%	10.0%	-1.82%	3.08%	N/A	N/A	N/A	
Lehman US Credit BAA				2.70%	1.43%				3.56%				-2.23%	2.70%	N/A	N/A	N/A	
TOTAL DOMESTIC FIXED INCOME	2,404,866	52.7%	50.0%	4.11%	1.40%	2,371,009	50.6%	50.0%	2.66%	2,392,991	51.8%	50.0%	0.01%	2.67%	7.55%	7.88%	7.42%	
Lehman Gov/Corp				5.70%	2.15%				2.24%				1.20%	5.70%	8.24%	7.86%	7.47%	
CASH EQUIVALENTS																		
Bank of ND	465,531	10.2%	10.0%	0.48%	0.16%	513,593	11.0%	10.0%	0.16%	477,931	10.3%	10.0%	0.17%	0.48%	2.41%	4.76%	4.99%	
90 Day T-Bill				0.45%	0.16%				0.14%				0.15%	0.45%	2.63%	4.68%	4.84%	
TOTAL BONDING FUND	4,563,781	100.00%	100.00%	-4.50%	-2.70%	4,690,140	100.00%	100.00%	1.64%	4,617,855	100.00%	100.00%	-3.44%	-4.50%	-2.86%	2.87%	6.19%	
POLICY TARGET BENCHMARK				-3.96%	-2.28%				1.26%				-2.94%	-3.96%	-1.19%	2.83%	5.77%	

NOTE: Monthly returns and market values are preliminary and subject to change.